

Arizona University which is a four-year studies, one-year internship program. Unfortunately, many students go to hospitals out of state for their internship, and take jobs there after graduating. We lose a lot of physical therapists this way. To make matters even worse, a law was recently passed in Arizona permitting physical therapists to practice without a physician's order. This will cause additional shortages because of the number that will go into private practice rather than working in a hospital."

"Home health care is another area that will be experiencing very rapid growth," according to Niki O'Keeffe, Assistant Director of Employee Relations at St. Luke's Medical Center. Home health care involves providing health care in the patients' homes. "This includes health promotion and rehabilitation," O'Keeffe adds. Home health aides provide daily routine personal care while RNs provide some of the health care that may be needed by the homebound patients.

Another important area of change in the health care field is the increasing concern about costs. As hospitals strive to keep health care costs down, and with the advent of prospective (preset) payments, Dr. Everett Taylor foresees, "a rapid growth in business support areas, such as in the inventory order departments, or any area where an inventory needs to be kept. These areas will need sharp, educated and well-trained people." Janine Cyr also sees a bright future for "anyone with a background

in computers and finance within the hospital field." She points out that prospective payments will intensify the existing shortage of medical records technicians because medical records will have to be closely scrutinized. "It will be increasingly important for all hospital employees to be credentialed. This means they have the state-of-the-art education and experience. Hospitals are going to make sure they get the most out of their manpower."

There have been monumental strides made in health care technology during the past decade. Specialized hospital personnel are becoming commonplace. New jobs have been created and old jobs have changed. There are even more changes in health care technology and treatments on the horizon, promising even greater challenges and increased job opportunities for hospital workers.

Donna Poggensee

*Harold M. Goldstein and Morris A. Horowitz, Health Personnel: Meeting the Explosive Demand for Medical Care (Aspen Systems Corporation), 1977.

**U.S. Department of Health, Education and Welfare, Health Resource Statistics, 1965.

***U.S. Department of Health, Education and Welfare, Health Resource Statistics, 1976-1977.

ARIZONA UNEMPLOYMENT INSURANCE ACTIVITIES - JANUARY

	1984	1983	1983	% Change Year Ago
Arizona Claimants Served**	33,168	36,714	74,624	-55.6%
Arizona Average Weeks Unemployed***	9.7	9.8	INA	INA
Arizona Benefits Paid**	\$ 9,882,100	\$ 12,165,136	\$ 22,402,885	-55.9%
Arizona Trust Fund Balance	\$163,587,294	\$165,815,096	\$199,188,086	-17.9%

*Estimated **All Programs ***UI Only

JTPA 1984-85 FINAL ALLOCATIONS

Final 1984-85 Job Training Partnership Act allocations have been released by the Department of Labor for Arizona. The state will receive \$24,071,745 during the program year 1985 beginning July 1, 1984 and ending June 30, 1985. Of the funds available, 78 percent, or \$18,775,961, will be distributed directly to the eleven Service Delivery Areas (SDAs) in the state. Three percent of the funds, or \$722,152, will be targeted toward workers 55 years old and over. Eight percent, or \$1,925,740, will be targeted toward education grants. Six percent, or \$1,444,305, will be used to provide incentive grants and technical assistance to the SDAs. The remaining 5 percent, or \$1,203,587, will be used for administrative costs associated with the program.

The table below provides a comparison of the 1984 and 1985 final allocations. Since the allocations were for a nine-month period, they have been annualized to facilitate comparison.

Nearly all of the SDAs will receive an increase in funding. However, there are a

few exceptions. The dramatic swing of allocated amounts in some areas is due primarily to the fact that each year the base data of the funding formula are updated.

Each Service Delivery Area is allocated funds according to a formula contained in the Act. The formula consists of three equal elements: 1) the number of people in an "Area of Substantial Unemployment" (ASU); 2) the number of people who are excess unemployed over 4.5 percent, and 3) the number of people who are considered to be economically disadvantaged as determined by the Bureau of the Census.

The JTPA system in Arizona is now fully operational. All eleven Service Delivery Areas are currently operating employment and training programs. At a recent meeting of the State Job Training Coordinating Council, most of the SDAs submitted their two-year job training plans for the program years 1984-85 and 1985-86. These plans are available for review by calling JTPA administration at (602) 255-3957.

Jeffrey D. Bowman

	1983-84 JTPA FUNDS ANNUALIZED	1984-85 JTPA FUNDS TOTAL	PERCENT CHANGE
Phoenix	\$ 4,289,664	\$ 4,567,867	6.5
Balance of Maricopa	3,092,620	3,325,154	7.5
Pima	2,880,352	3,365,660	16.8
Sixco	1,769,456	1,888,818	6.7
Yuma	755,954	1,012,868	34.0
Santa Cruz	236,358	366,874	55.2
Gila-Pinal	944,890	1,331,465	40.9
Greenlee	250,613	41,153	-83.6
Cochise	507,624	615,422	21.2
Graham	192,900	269,589	39.8
All Reservation	2,142,692	1,991,091	-7.1
Arizona (Total)	\$ 17,063,122	\$ 18,775,961	

NOTE: 1983-84 nine-month allocations were annualized by dividing the nine-month allocation by nine and multiplying the result by twelve.

WHERE WE LIVE, WHERE WE WORK AND WHAT WE EARN

If you live in the Phoenix metropolitan area, or have traveled through it during rush hour, you have undoubtedly encountered droves of motorists, especially on the freeways. At times, it seems that the entire work force commutes to Phoenix in the morning and heads for the suburbs at night. In actuality, you may not be too far off; however, there are variations.

A study of employment by place of work in Maricopa County from the Arizona Employer Establishment Information System (AEEIS) has revealed some interesting work force characteristics. For example, the wage and salary work force of Phoenix numbers approximately 450,000, about one-half the city's population. In contrast, the wage and salary work force of Mesa is approximately one-fourth the size of its population. Although it is not possible with AEEIS data to determine where each resident works and lives individually, it is obvious that many Mesa residents commute to a Phoenix work place.

AEEIS provides a data base for employment statistics collected at the sub-county level of analysis. Employment data may be broken down by geographic area including city, zip code, census tract (county census division for non-metropolitan counties) and traffic analysis zone (TAZ). AEEIS data have been structured in such a way that they can be compared to 1980 Census data; AEEIS data reflect the situation as of April 1, 1980. There is, however, one major difference between AEEIS and the 1980 Census. AEEIS estimates total wage and salary employment by place of work while the Census estimates total employment by place of residence. AEEIS also estimates the number of business establishments by geographic area.

In order to estimate wage and salary employment by place of work, data had to be gathered for each branch of each firm. A firm is defined as "the company as a whole" while establishment is defined as "a branch of the firm." A single firm can have many establishments in many geographic

areas (e.g., McDonald's restaurants). Each establishment was assigned the appropriate geographic code, Standard Industrial Classification (SIC) code, estimated wage and salary employment and unique branch number. The file for Maricopa County alone totals approximately 36,000 records.

The procedure is a very time-consuming task, requiring numerous man-hours for data collection. At the present time, data are available for Maricopa County and some non-metropolitan counties (e.g., Apache, Cocopino, Santa Cruz). Data collection is proceeding for the remaining nonmetropolitan counties and should be available within a few months. Data collection for Pima County has just begun. AEEIS will eventually provide coverage of all establishments in Arizona (approximately 75,000). However, data on any particular company cannot be disclosed.

Table 1 illustrates estimated total wage and salary establishments and employment, population, and median family income for selected cities within Maricopa County during 1983. From Table 1, comparisons can be drawn between different areas of the county. For example, average establishment size tends to increase as city population size increases. However, a larger average establishment size is found in Tempe because it contains a major state university. The developing communities of Chandler, Gilbert and Peoria will probably follow the work force patterns of other suburban communities more closely when support services and population size increase. Sun City, a retirement community, supports a special population and is able to concentrate services in particular areas.

Most of the employment in Maricopa County exists in Phoenix. In fact, over 60 percent of wage and salary employment is in Phoenix. Scottsdale, Mesa and Tempe, established East Valley communities, have similar size work forces, although Scottsdale supports a smaller population. The work force of Glendale, a West Valley community, is still growing and is expected

to support more small business in the future. The developing communities of Chandler, Gilbert and Peoria support relatively smaller work forces. These developing communities also have the lowest ratio of work force size to population size.

Median family income also varies across cities located within the Phoenix metropolitan area. Scottsdale residents have the highest median family income, followed, in descending order, by Tempe, Glendale, Phoenix, Mesa, Chandler, Gilbert and Peoria.

It should be noted that small business is still abundant in Maricopa County. Approx-

imately 75 percent of the business establishments in the Phoenix metropolitan area (Maricopa County) employ 10 employees or fewer. In fact, about 50 percent employ fewer than 5 employees.

A former trend throughout the United States has been to live in the suburbs and work in the metropolis and in Phoenix, that trend continues. Like it or not, most of us will find employment in the metropolis, while we continue to reside in the suburbs.

Guy R. Wilson

TOTAL WAGE AND SALARY ESTABLISHMENTS AND EMPLOYMENT, POPULATION,
AND MEDIAN FAMILY INCOME BY CITY IN THE PHOENIX METROPOLITAN AREA
ESTIMATED FOR 1983 (PRELIMINARY)

	TOTAL WAGE & SALARY ESTABLISHMENTS AND EMPLOYMENT*			POPULATION**	MEDIAN FAMILY INCOME***
	ESTABLISHMENTS	EMPLOYMENT	AVG. SIZE		
Phoenix	26,987	446,752	16.6	841,200	26,078
Scottsdale	4,552	52,406	11.5	101,500	33,493
Mesa	3,870	51,002	13.2	177,000	26,055
Tempe	2,920	49,848	17.1	132,200	30,445
Glendale	2,043	25,546	12.5	108,150	27,167
Chandler	722	10,569	14.6	41,360	24,678
Sun City	598	9,417	15.7	NA	NA
Peoria	391	4,243	10.9	19,800	21,580
Gilbert	148	1,548	10.5	7,290	23,980
MARICOPA COUNTY (TOTAL)	43,893	686,700	15.6	1,633,100	26,223

NA = Not Available

* Adjusted to Current Employment Statistics (CES)--1983 Annual Average, 1/84.
SOURCE: Arizona Department of Economic Security, Labor Market Information,
AEEIS (1980).

** SOURCE: Arizona Department of Economic Security, Population Statistics
Unit, February 1984.

***SOURCE: Arizona Department of Economic Security, Population Statistics
Unit, December 1983.

Arizona Labor Force and Employment

February 1984 (in thousands)

	ARIZONA			-- Amt Change --	
	Feb.* 1984	Jan. 1984	Feb. 1983	Jan. 1983 to Feb.	1983 to 1984
TOTAL CIVILIAN LABOR FORCE	1403.6	1400.1	1365.5	+3.5	+38.1
Total Unemployment	79.8	87.6	148.3	-7.8	-68.5
Rate	5.7	6.3	10.9	---	---
Rate (Sea. Adj.)**	5.6	6.1	10.8	---	---
Total Employment	1323.8	1312.5	1217.2	+11.3	+106.6

THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

TOTAL WAGE AND SALARY	1117.5	1101.6	1040.0	+15.9	+77.5
Manufacturing	162.6	162.1	149.5	+0.5	+13.1
Durable Goods	127.1	126.7	115.5	+0.4	+11.6
Stone, Clay and Glass	6.8	6.7	5.3	+0.1	+1.5
Primary and Fabricated Metals	14.5	14.4	14.2	+0.1	+0.3
Primary Metals	6.4	6.4	6.6	+0.0	-0.2
Fabricated Metals	8.1	8.0	7.6	+0.1	+0.5
Machinery	64.0	63.6	59.6	+0.4	+4.4
Other Durable Goods	41.8	42.0	36.4	-0.2	+5.4
Aircraft and Missiles	18.6	18.9	17.1	-0.3	+1.5
Lumber and Wood Products (Except Furniture)	6.7	6.8	5.5	-0.1	+1.2
All Other Durable Goods	16.5	16.3	13.8	+0.2	+2.7
Nondurable Goods	35.5	35.4	34.0	+0.1	+1.5
Food and Kindred Products	7.6	7.6	8.2	+0.0	-0.6
Apparel	5.5	5.5	5.1	+0.0	+0.4
Printing and Publishing	12.8	12.7	11.7	+0.1	+1.1
All Other Nondurable Goods	9.6	9.6	9.0	+0.0	+0.6
Mining and Quarrying	14.3	14.3	14.0	+0.0	+0.3
Copper Mining	11.4	11.4	11.1	+0.0	+0.3
Other Mining and Quarrying	2.9	2.9	2.9	+0.0	+0.0
Construction	82.6	82.0	66.9	+0.6	+15.7
Trans., Communications, and Public Utilities	58.5	57.8	56.2	+0.7	+2.3
Transportation	24.6	24.5	23.0	+0.1	+1.6
Communications and Public Utilities	33.9	33.3	33.2	+0.6	+0.7
Trade	268.7	267.6	251.2	+1.1	+17.5
Wholesale Trade	54.3	54.2	50.2	+0.1	+4.1
Retail Trade	214.4	213.4	201.0	+1.0	+13.4
General Merchandise and Apparel	36.4	36.9	35.6	-0.5	+0.8
Food Stores	33.0	33.9	33.0	+0.0	+0.9
Automotive and Service Stations	24.6	24.5	23.4	+0.1	+1.2
Eating and Drinking Places	76.0	74.8	69.3	+1.2	+6.7
Other Retail Trade	43.5	43.3	39.7	+0.2	+3.8
Finance, Insurance, and Real Estate	67.5	67.0	62.3	+0.5	+4.2
Services and Miscellaneous	251.3	248.7	230.9	+2.6	+20.4
Hotels and Other Lodging Places	26.7	25.7	24.8	+1.0	+1.9
Business Services	50.6	49.9	44.7	+0.7	+5.9
Health Services	66.8	66.3	63.0	+0.5	+3.8
Other Services	107.2	106.8	98.4	+0.4	+8.8
Government	212.0	202.1	208.0	+9.9	+4.0
Federal	39.2	39.0	37.6	+0.2	+1.6
State and Local	172.8	163.1	170.4	+9.7	+2.4
School	107.6	97.8	105.0	+9.8	+2.6

* Preliminary

** Normal seasonal variations have been eliminated to reflect underlying economic trends.
NOTE--Data have been adjusted to the 1972 Standard Industrial Classifications (SIC).

Arizona Labor Force and Employment

February 1984 (in thousands)

MARICOPA COUNTY					PIMA COUNTY				
Feb.* 1984	Jan. 1984	Feb. 1983	-- Amt Change -- Jan. 1983 to Feb. 1984	Feb. 1983 to 1984	Feb.* 1984	Jan. 1984	Feb. 1983	-- Amt Change -- Jan. 1983 to Feb. 1984	Feb. 1983 to 1984
884.1	880.2	837.7	+1.9	+46.4	260.2	260.4	255.1	+0.2	+5.1
38.5	43.1	71.1	-4.6	-32.6	13.7	15.2	28.8	-1.5	-15.1
4.4	4.9	8.5	---	---	5.3	5.8	11.3	---	---
4.3	4.8	8.5	---	---	5.2	5.8	11.2	---	---
45.6	937.1	766.6	+8.5	+79.0	246.5	245.2	226.3	+1.3	+20.2

USED FOR ECONOMIC ASSISTANCE PROGRAMS.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

727.4	716.8	667.5	+10.6	+59.9	206.3	203.7	192.4	+2.6	+13.9
117.7	117.3	107.3	+0.4	+9.9	27.6	27.5	25.5	+0.1	+2.1
92.9	92.5	84.7	+0.4	+8.2	22.9	22.8	20.8	+0.1	+2.1
4.1	4.1	3.2	+0.0	+0.9					
9.1	9.1	9.3	+0.0	-0.2					
51.2	50.3	47.1	+0.4	+4.1					
28.5	28.5	25.1	+0.0	+3.4					
24.8	24.8	23.1	+0.0	+1.7	4.7	4.7	4.7	+0.0	+0.0
5.1	5.2	5.7	-0.1	-0.6					
3.2	3.3	2.5	-0.1	+0.7					
9.5	9.4	8.6	+0.1	+0.9					
7.0	6.9	6.3	+0.1	+0.7					
0.6	0.6	0.6	+0.0	+0.0	3.6	3.6	3.4	+0.0	+0.2
57.6	57.2	46.9	+0.4	+10.7	16.7	16.6	12.1	+0.1	+4.6
37.7	37.6	35.5	+0.1	+2.2	8.9	8.8	8.7	+0.1	+0.2
16.5	16.4	15.1	+0.1	+1.4	3.9	3.8	3.6	+0.1	+0.3
21.2	21.2	20.4	+0.0	+0.8	5.0	5.0	5.1	+0.0	-0.1
182.9	182.0	169.6	+0.9	+13.3	44.1	44.0	41.8	+0.1	+2.3
42.6	42.4	39.3	+0.2	+3.3	6.4	6.5	5.7	-0.1	+0.7
140.3	139.6	130.3	+0.7	+10.0	37.7	37.5	35.1	+0.2	+1.6
23.0	23.7	23.0	-0.7	+0.0	7.0	6.9	6.3	+0.1	+0.7
21.9	21.8	21.1	+0.1	+0.8	5.4	5.4	5.5	+0.0	-0.1
15.8	15.7	14.7	+0.1	+1.1	4.0	4.0	3.9	+0.0	+0.1
49.2	48.2	44.2	+1.0	+5.0	13.8	13.7	13.3	+0.1	+0.5
30.4	30.2	27.3	+0.2	+3.1	7.5	7.5	7.1	+0.0	+0.4
52.8	52.4	49.6	+0.4	+3.2	9.5	9.5	8.6	+0.0	+0.9
171.4	169.0	154.2	+2.4	+17.2	47.5	47.2	45.0	+0.3	+2.5
16.3	15.7	15.2	+0.6	+1.1	4.6	4.3	4.2	+0.3	+0.4
42.0	41.3	36.8	+0.7	+5.2	7.1	7.0	6.3	+0.1	+0.8
45.3	44.7	41.8	+0.6	+3.5	13.7	13.8	13.7	+0.1	+0.0
67.6	67.3	60.4	+0.5	+7.4	22.1	22.1	20.8	+0.0	+1.3
105.7	100.7	103.1	+6.0	+3.4	48.4	46.5	42.3	+1.9	+1.1

NONMETROPOLITAN COUNTIES LABOR FORCE AND EMPLOYMENT

February 1984 (Preliminary)

	Apache	Cochise	Coconino	Gila	Graham	Green- lee	La Paz
TOTAL CIVILIAN LABOR FORCE*	14,350	28,575	33,925	14,125	7,475	3,900	4,700
Total Unemployment	1,925	2,400	2,775	2,025	750	275	650
Rate	13.4%	8.4%	8.2%	14.3%	10.0%	7.1%	13.8%
Rate (Seas. Adj.)**	12.7%	8.1%	7.5%	13.6%	9.7%	6.5%	-INA-
Total Employment	12,425	26,175	31,150	12,100	6,725	3,625	4,050

THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED
FOR ECONOMIC ASSISTANCE PROGRAMS

TOTAL WAGE AND SALARY	12,825	21,175	29,025	9,700	4,225	3,125	2,325
Manufacturing	600	1,500	2,425	1,450	100	350	100
Mining and Quarrying	50	350	50	1,450	75	1,650	0
Construction	1,450	850	925	425	100	25	50
Trans., Comm., & Pub. Util..	1,600	1,275	2,600	275	150	50	50
Trade	1,025	4,325	6,675	1,700	1,150	325	800
Fin., Insur., & Real Estate.	150	600	575	225	100	50	100
Services and Miscellaneous .	3,175	2,575	6,200	1,500	700	100	650
Government	4,775	9,700	9,575	2,675	1,850	575	575

	Mohave	Navajo	Pinal	Santa Cruz	Yavapai	Yuma
TOTAL CIVILIAN LABOR FORCE*	21,775	24,675	30,550	8,600	31,300	35,325
Total Unemployment	2,525	2,925	3,625	1,150	2,525	3,925
Rate	11.6%	11.9%	11.9%	13.4%	8.1%	11.1%
Rate (Seas. Adj.)**	11.2%	11.0%	11.9%	15.5%	7.2%	-INA-
Total Employment	19,250	21,750	26,925	7,450	28,775	31,400

THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED
FOR ECONOMIC ASSISTANCE PROGRAMS

TOTAL WAGE AND SALARY	14,650	16,850	22,675	7,425	17,150	22,675
Manufacturing	2,075	1,650	2,625	375	1,950	1,725
Mining and Quarrying	250	1,075	4,050	25	1,025	50
Construction	825	550	525	200	925	1,400
Trans., Comm., & Pub. Util..	925	1,575	1,000	550	850	975
Trade	4,100	2,925	3,800	3,150	4,400	7,375
Fin., Insur., & Real Estate.	700	275	700	225	700	725
Services and Miscellaneous .	2,700	4,450	2,150	1,050	3,100	4,050
Government	3,075	4,350	7,825	1,350	4,200	5,375

*Adjusted to the Current Population Survey (CPS) to reflect place of residence.

**Seasonal adjustment not applicable for economic assistance programs.

NOTE--Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

**ARIZONA LABOR FORCE AND EMPLOYMENT FOR
ECONOMIC ASSISTANCE PROGRAMS
January 1984 (Final)**

<u>County</u>	<u>Civilian Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Rate</u>
Statewide	1,399,428	1,312,311	87,117	6.2%
Apache	14,604	12,486	2,118	14.5
Cochise	28,689	26,052	2,637	9.2
Coconino	32,938	29,687	3,251	9.9
Gila	14,347	12,089	2,258	15.7
Graham	7,651	6,799	852	11.1
Greenlee	3,919	3,633	286	7.3
La Paz	4,745	4,069	676	14.2
Maricopa	380,829	837,983	42,846	4.9
Mohave	21,728	19,005	2,723	12.5
Navajo	24,701	21,726	2,975	12.0
Pima	259,498	244,351	15,147	5.8
Pinal	30,909	26,887	4,022	13.0
Santa Cruz	8,799	7,430	1,369	15.6
Yavapai	30,959	28,572	2,387	7.7
Yuma	35,112	31,542	3,570	10.2

Data have been adjusted to the 1972 Standard Industrial Classification (SIC). These figures are the only official BLS labor statistics to be used for revenue sharing purposes. They are not designed to be used as economic indicators. Note: Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

**ESTIMATED HOURS AND EARNINGS OF PRODUCTION WORKERS
IN SELECTED INDUSTRIES IN ARIZONA
February 1984**

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVG. HOURLY EARNINGS		
	FEB.* 1984	JAN. 1984	FEB. 1983	FEB.* 1984	JAN. 1984	FEB. 1983	FEB.* 1984	JAN. 1984	FEB. 1983
FOR THE STATE OF ARIZONA	----	----	----	----	----	----	----	----	----
Manufacturing	372.81	373.01	347.38	40.7	40.9	39.7	9.16	9.12	8.75
Aircraft & Missiles	519.04	516.10	475.08	44.4	44.3	42.8	11.69	11.65	11.10
Food & Kindred Products	311.92	320.26	316.38	37.9	37.9	39.4	8.23	8.45	8.03
Primary Metals	472.92	482.26	456.87	38.2	39.4	39.2	12.38	12.24	11.96
Machinery	339.33	342.33	323.44	40.3	40.9	39.3	8.42	8.37	8.23
Copper Mining	522.38	555.36	489.94	39.1	41.6	37.4	13.36	13.35	13.10
Construction	412.62	417.09	457.10	36.1	36.3	35.6	11.43	11.49	12.84
Utilities	554.18	554.18	478.59	44.8	44.8	43.0	12.37	12.37	11.13
Retail Trade**	213.14	213.14	211.29	33.2	33.2	34.3	6.42	6.42	6.16
Wholesale Trade	344.25	344.25	323.85	40.5	40.5	39.6	8.50	8.50	8.39

* Preliminary

** Excludes eating and drinking places.

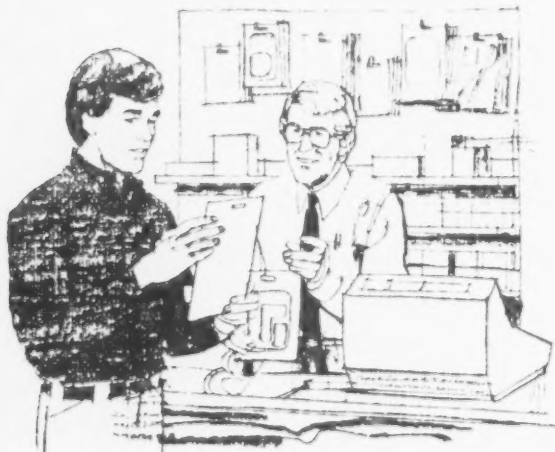
NOTE--These estimates are based on a sample of full and part-time production and related employees whose payroll and hours are reported for the pay period which includes the 12th of the month. All data have been adjusted to the 1972 Standard Industrial Classifications (SIC).

--Prepared by Labor Market Information, Research and Analysis

(1972 SIC, 1/84)

THE ARIZONA LABOR FORCE IN FEBRUARY 1984

February continued the pattern of strong economic growth that the state has experienced during the last few months. Total jobs in the state hit a record high of 1,117,500 as Maricopa County, and to a lesser extent Pima County, continued to create employment opportunities. Except for mining, which was stable in February, every major industry showed an increase in employment. While the increases in government and services were principally the effect of usual seasonal activity, other areas such as construction and retail trade showed unusually strong growth.



A year ago, Arizona's unemployment rate was nearly a half a percentage point above the national rate. But in the last twelve months, economic improvement in the state's metropolitan areas has dropped Arizona's unemployment rate to over two full percentage points below the national average. This was caused principally by improvements in the services industry, followed by trade, construction and manufacturing as a total of 77,500 new jobs have been created. This 7.4 percent increase, while by no means a record, is a decided improvement over what has been happening over the last three years.

February statistics are a good example of what has been happening during the last few months. In the services industry, winter tourism business pushed employment up in

the hotel/motel industry by 1,000. In addition, business services added 700 and health services added 500 new people. Meanwhile, retail trade's expansion was led by eating and drinking places as returning students and winter tourism helped to add more employment.

In the construction industry, January's slight dip in employment was corrected in February with the addition of 600 more workers. Maricopa County, with construction employment at 57,600, is near its record level of 58,400 recorded in July 1979. Unfortunately, interest rates, while they have been basically stable the last few months, appear poised to rise again soon. Nervousness over budget deficits and expanding activity have pushed both short-term and long-term rates up. While it is too soon to estimate the exact impact this will have, obviously residential construction will be hurt.

Finally, the manufacturing industry has continued to steadily add employment. Most of the improvement has been, and will likely continue to be, in Maricopa County. Generally, high-technology manufacturers in electronics and aerospace have added to their staffs. To a more limited extent, fabricated metals manufacturers and lumber companies will probably be strong in the months ahead.

While the employment news continues to be very good, problems still exist. First, within copper mining, recent layoff announcements will be translated into lost employment in the months ahead. And many other companies are cutting back on work, as the drop in average weekly hours from 41.6 to 39.1 in February shows. Apparently, the end of the decline in copper mining has not yet arrived. Second, job creation in the state's rural areas is slow. A year ago, 17.3 percent of the wage and salary jobs in the state were outside the metropolitan areas. That percentage has now fallen to 16.4 percent. Economic development, a key to recovery in many rural counties, is progressing quite slowly.

NEW DEVELOPMENTS

Construction - Business construction did not enjoy the same upsurge that residential housing did last year, but judging by figures for January, 1984 may be a better year. According to McGraw-Hill Information Systems Co., the value of business construction projects in Tucson during 1983 was \$175.9 million, down about 25 percent from 1982's \$226 million. In Phoenix, the amount invested was \$680.8 million, down 8 percent from 1982's \$737 million.

However, in January 1984, the value of business construction projects in Tucson was \$14.7 million, up 24 percent over January 1983, and in Phoenix, business construction was valued at \$64 million, up 44 percent over the preceding January.

Manufacturing - Microelectronic Packaging Inc., a newly formed Scottsdale electronics and sales firm, has acquired a manufacturing plant in Singapore and now is considering opening a similar plant in the Valley. The firm has completed the purchase of Coors Ceramics Asia-Pacific Private Ltd., which manufactures ceramic products for the semiconductor industry, and is now looking for a building in the Valley so it can establish a plant in which to research, develop and manufacture other products for the electronics industry.

Talley Industries of Arizona Inc. dedicated its \$4 million expansion last month. The new facility, called Plant 4, is located at the company's manufacturing complex in northeastern Mesa. By year's end, Plant 4 will have about 35 to 40 employees engaged in the mixing, casting and curing of high energy, solid-propellant rocket motors used in small tactical missiles and ejection seats.

American Airlines has announced an order for 67 twin-engine McDonnell Douglas MD-80 jetlines--with options for 100 more--that could result in orders valued at more than \$100 million for Valley firms. This figure includes more than \$80 million to Sperry Flight Systems, about \$17 million to the Garrett Turbine Engine Co. and \$10 million to the Garrett Pneumatic Systems Division of the Garrett Corp.

Revco D.S. Inc. plans to build a \$15 million facility in Glendale to manufacture human and veterinary injectable drugs. The new plant will house the operations of Carter-Glogau Laboratories Inc., a Revco subsidiary already in Glendale. Employment at the new 90,000-square-foot plant will be approximately 300 when the project is completed in mid-1985.

Motorola Inc. announced plans to move a 100-employee research lab from Mesa to Austin, Texas, as part of a consolidation of its operation in that state. The MOS Advanced Products Research and Development Laboratory, which has been in Mesa for 10 years, is being consolidated with MOS (Metal-Oxide Semiconductor) headquarters in Austin. According to a Motorola spokesman, the 100 employees are moving mainly because of a new 250,000 square-foot facility that was recently completed in Austin. No other moves away from the Valley are planned.

Austin was chosen last year over several sites (including Phoenix) for the headquarters of the Microelectronics and Computer Technology Corp., a consortium of major American electronics firms that includes Motorola.

Distribution Center Planned- Golden State Foods Corp., a California-based food-processing and distribution company for McDonald's restaurants, plans to build a 47,000-square-foot distribution center in Phoenix. The \$2.5 million project will supply 140 McDonald's restaurants in Arizona and surrounding states with food, packaging and operating supplies. The facility, expected to be completed in the fall, will initially employ 40 people.

Photo-Finishing Plant - Berkey Photo Inc., a New York-based photo finisher, plans to open a plant in Phoenix by the end of April. The company expects to hire about 40 people and special skills will not be required. An additional 40 to 45 people will be hired within 18 months.

The plant will process and print film for Arizona, New Mexico and western Texas. Currently, Berkey has 18 plants in the U.S.

Automobile Sales - A national recruiting company has hired about 55 new-car salesmen and saleswomen for Chevrolet dealers in the Phoenix metropolitan area and other parts of the state. The campaign was part of a nationwide effort to hire 2,000 people for Chevrolet dealers across the nation in order to replenish staffs that had been depleted during the past three years when new-car sales were down sharply.

Gasoline Sales - Texaco Inc. has opened nine new gas stations that offer self-service pumps and convenience stores as part of its long-range plans to broaden its market share in Phoenix. According to a company spokesman, about 80 percent of the gas sold in the Valley comes from self-service pumps.

Meanwhile, the Shell Oil Company has begun phasing out its Phoenix and Tucson service stations and plans to concentrate instead on supplying other companies with gasoline.

Restaurants - Carvel recently opened an ice cream store in Tempe, the first of 50 stores the company intends to open across the state within five years. About 35 of these stores will be located in the Phoenix area.

Mining - Inspiration Copper Company has laid off 95 workers at its Globe smelter operation and is considering additional layoffs later because of the poor copper market and low price. Sixty of the workers were released when the company decided to go from three converters to two because of the lack of concentrates.

The Cypress Bagdad Copper Company's closure on February 11th will result in an estimated annual loss to Prescott of \$157,860 in sales tax revenues, or 2.9 percent of the city's annual revenues. Yavapai County officials are unable to predict losses until May, when the Arizona Department of Revenue determines the mine's property tax status. However, Yavapai County Manager Jim Holst estimates that in the worst case, the county could lose approximately \$500,000 between severance and property taxes, or three to four percent of the county's general fund.

Education - A 10-year, \$148 million capital-improvement and expansion program, including education centers in the Chandler-Gilbert area, Paradise Valley and Litchfield Park, is being considered by the Maricopa County Community College District. The program is an update of the district's master plan, developed in 1978. Partial financing would come from a bond election, tentatively planned for September. Additional sources are also being considered.

The plan calls for building education centers instead of free-standing colleges in order to keep administrative costs down. According to District Chancellor Paul Elsner, "They will be put on good-sized sites so if enrollment justifies it, they can become full-sized campuses."

Federal Retraining Bill Proposed - Under a plan drafted by a congressional task force, the federal government would establish a voluntary job retraining program, with employers and workers each contributing up to \$250 a year. Contributions would stop when \$4,000 was accumulated. Laid-off workers would draw on the full amount after a six-month resting period and could use up to \$1,000 for costs of relocating.

Under the plan, employers would receive tax deductions amounting to 125 percent of their contributions, and no longer would have to pay a small surtax now required for federal unemployment insurance. Contributions would be invested in high-yield Treasury securities and administered like Individual Retirement Accounts by the unemployment insurance system. Representative Sherwood Boehlert, R-N.Y. chaired the task force which drafted the plan.

Jobs Seminar for Hispanic Youth - The College of Business Administration at Arizona State University will sponsor a weeklong seminar June 3-9 to explain career opportunities for Hispanic high school students. The seminar will be open to 80 high school sophomores who plan to study business in college.

Program for Employers of Handicapped - Goodwill Industries of Tucson has received a grant to purchase an instructional pro-

gram that shows companies how to adjust to newly-hired handicapped workers. The program, known as the "Windmills Program," was developed by the California Governor's Committee for Employment of the Handicapped and consists of 12 half-hour audio-visual training sessions. Goodwill will offer the program to employers, managers, supervisors and any other business personnel.

Layoffs - Kroy Inc., a Scottsdale-based graphics-products company, laid off about 60 contract employees. A company spokesman said that the employees had been brought in for a specific project and that additional layoffs of this magnitude are not expected.

Amstar Corporation's Spreckles Sugar Division has announced the closure of its Chandler operation. Employees to be laid

off include supervisory personnel, technicians and mechanics.

Litton Industries Inc.'s electron-tube division in Tempe has laid off 40 workers because of poor orders for its products. The length of the layoff is indefinite and leaves the plant with slightly more than 300 workers. No additional layoffs are expected. The firm manufactures night-vision devices for defense and commercial use.

Strike Update - A strike called February 22nd by the United Mine Workers closed Peabody's Black Mesa and Kayenta Mines, both located on the Navajo Reservation near Kayenta. According to the UMW, the new contract was rejected for several reasons, including staggered vacations and retirement benefits.

Arizona Legislative Update: Proposed Legislation

SB-1186 - Would prohibit a person who retired under the state's early retirement offer (7/26/83 to 1/1/84) from being re-employed in any capacity by an employer who is a member of the State Retirement System. (Majority Finance).

SB-1223 - Would exempt from provisions of law relating to naturopaths any person performing functions under direction of a doctor of naturopathic medicine if such functions do not require such physician's judgement (Davis, R-Tucson).

SB-1224 - Would make various technical amendments to code relating to naturopathic physicians' board of examiners. No substantive changes (Davis, R-Tucson).

SB-1293 Would provide new procedures for revocation, suspension or renewal of permits for pesticide users and sellers and new process for investigation of public complaints about misuse or damage by pesticide applications (Majority Natural Resources and Agriculture).

SB-1297 - Would provide ten-year continuation of Structural Pest Control Board beyond original sunset date of July 1, 1984 (Majority Natural Resources and Agriculture).

HB-2110 - Would increase requirements for applicant for mortgage broker's license, including course of instruction, exam and experience (Holman, R-Phoenix).

HB-2308 - Would give Attorney General independent power to enforce provisions of state right-to-work law. Such clear-cut authority is now lacking (Skelly, R-Scottsdale).

HB-2315 - Would require salespersons of manufactured housing (mobile homes, prefabricated buildings) to be licensed and sets requirements for their licensure. Includes punishment for salespersons if they commit acts specified in the law (English, R-Sierra Vista).

HB-2449 - Would establish a board for the regulation of physician's assistants and prescribe minimum qualifications for certification as a physician's assistant. Grandfather clause provided for those now certified as physician's assistants (Wessel, R-Phoenix).

HB-2532 - Would require Board of Chiropractic Examiners to publish a directory of all licensed doctors of chiropractic, to include various items of information useful to the public (Brewer, R-Phoenix).

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Arizona Labor Market NEWSLETTER

Arizona Department of Economic Security

Vol. VIII No. 5
May 1984

Unemployment Rate

Seasonally Adjusted
March*

ARIZONA	5.5%
Maricopa Co.	4.2%
Pima Co.	5.0%
UNITED STATES	7.8%

Consumer Price Index

National-February
1967 - Base Year

Wage Earner/Clerical Worker -	303.3
% Chg. Yr. Ago	3.8

All Urban -	306.6
% Chg. Yr. Ago	4.6

Phoenix-1st Qtr.
1977 - Base Year

All Urban -	177.4
% Chg. Yr. Ago	4.1

Producer Price Index

National-March*
1967 - Base Year

All Commodities-	311.1
% Chg. Yr. Ago	4.7

Finished Goods -	291.7
% Chg. Yr. Ago	2.9

* Preliminary

DECLINING AGRICULTURE?

Sure, agriculture is a declining industry. everybody knows that don't they? -- On the contrary, everybody does not know that, if "everybody" includes a number of Arizona agriculture industry experts:

Bob Moore, executive vice president, Agri-Business Council of Arizona, for instance, says, "Agriculture in Arizona is steady-state, with respect to both employment and the number of major operations. I think that claim is defensible for at least the next decade, but later there will be declining hand-labor usage."

Andy Kurtz, executive secretary, Arizona Farm Bureau, says, "There are 1,300,000 irrigated acres in the state, and that number has been fairly constant over 20 years." He notes that the number of hired farm laborers as reported by the Arizona Crop and Livestock Reporting Service was 15,000 statewide in July 1979 and 13,000 in July 1982, but that many of the new crops being planted in the state are very labor intensive. "Vegetables are the new crop," according to Kurtz. Regarding the Payment-In-Kind (PIK) program, Kurtz points out that a University of Arizona study estimated that only 1410 workers were displaced by

the PIK program, which was designed to reduce the amount of fiber and grain grown by U. S. farmers. The program has now been reduced in scope and is active only with respect to some kinds of wheat. Other crop changes going on include substitution of pistachios and pecans for citrus, and more grape farming. Grapes are more labor intensive, but nuts are less labor intensive than citrus, according to Kurtz.

Carl Heath, head inspector, Arizona Fruit and Vegetable Standardization Service, sees an increase in plantings of labor-intensive crops in recent years. For instance, lettuce acreage has doubled and tripled in the last three years and he notes that two big companies have just moved into Cochise County that will produce 3000 acres of leaf lettuce, a crop never before grown in Cochise County. Citing Cochise County again, Heath points out that the number of acres planted in apple orchards has gone from 200 to 3000 in just a few years. Apples are very labor intensive, he says, because it is necessary to hand attach limb spreaders to each tree to give the fruit more sun and to make it easier to pick.

Jimmy Hillman, head of the Department of Agricultural Economics, University of Arizona, says, "Agriculture is not a declining industry in Arizona. Acreage has been constant for 35 years at about 39,000,000 acres. Also, there are about 23,000 employed in agriculture, about the same number as several years ago." In Arizona, it's not land or labor that are the limiting factors -- it's water and capital. According to Hillman, "Arizona farmers are using capital to save part of the other limiting factor -- water. New laser land-leveling techniques are saving 20 or 30 percent of available water. Another new technology, drip irrigation, not only saves water, but increases yields, too. In other words, agriculture is going high-tech."

Rick Lavis, Arizona Cotton Growers Association, observes that, "Acres in cotton were in decline for two years during the Payment-in-Kind (PIK) programs, but they're back up now. I would say that the agri-

culture industry is not declining, but steady."

John Olson, executive vice president, Arizona Cattle Growers Association, says, "The industry is stabilizing, not declining, but the number of cattle is down, mostly in cattle-feeding operations. Also, in Gila County, for example, there are fewer ranches now, but they're bigger and need more hired labor to help operate them." According to Olson, it is probably well known that the association is pushing a national immigration bill to permit importing foreign labor, because cattle growers cannot get enough of those willing to accept conditions locally. "Typically," says Olson, "cowboy pay is \$600 to \$650 a month, plus maybe a pickup to drive and a mobile home to live in. These and other payment-in-kind benefits are offered in lieu of higher wages. The life style appeals more to a single man than one who is married with a family." Olson adds that it is not uncommon for there to be five or six help-wanted ads for hired cattlemen in the association's newsletter every issue.



So, does anyone think agriculture is a declining Arizona industry? Yes, some do -- for example:

Ron Brantner, statistician in charge, Arizona Crop and Livestock Reporting Service, states that the agricultural labor force has been shrinking over the years. Nevertheless, he admits, it is hard to tell the situation from available statistics. The service used to take a labor survey every quarter. In 1982, it began taking surveys annually because of funding cuts.

The reporting month is July, not a labor-intensive month in Arizona. But there is some evidence for a potentially improving demand for agricultural labor with the labor-intensive crops that are being increasingly planted.

Ken McGeorge, general manager, Arizona Citrus Growers Association, says, "There is no question that agriculture, especially citrus growing, has been declining in Maricopa County over the years." He directs attention to the quite visible number of orchards that have fallen to housing subdivisions as evidence for this view.

Howard Alexander, press representative, Salt River Project, tends to agree with Ken McGeorge. He states that agricultural acreage has been retired to urban use at a rate of 3000 to 4000 acres per year in the SRP water services territory. In fact, SRP predicts that the present urban service area of just over 60 percent will increase to about 90 percent by the year 2000, and finally 100 percent by the year 2034.

Don Devereaux, press representative, Arizona Farm Workers Union, says, "I don't have any numbers, but our perception is that agriculture is declining in Arizona. Certainly it is in Maricopa County. Citrus is a declining crop in Maricopa County, and in Pinal County, but maybe not as much in Pinal." He contends that members have certainly experienced a declining demand for their services. When asked if he believes farmers are using more contract labor in place of directly hired labor, he responds, "Yes, there must be more, because as we try to negotiate, it is to the farmer's advantage. If we get an agreement with a contractor to one employer, all the farmer has to do is switch contractors to negate the effect of the agreement." Another problem for farm workers, he says, is that former agricultural workers who have left the industry to work in construction, for instance, tend to return to the agriculture industry when times are bad in their new industry. He implies that the effect is to cause more unemployment of farm workers when employment drops off in other industries.

Data about the agricultural industry lend some support to all of these views, but there are no definitive data about the agricultural labor situation. The major sources of available data are the Arizona Crop and Livestock Reporting Service and the Census of Agriculture. In addition, there is some statewide information available from the Current Population Survey.



Now let's take a look at some of the available data.

Arizona agricultural production employment (Standard Industrial Classification 017) for 1976 through 1982 as determined from the Current Population Survey:

1976	1977	1978	1979	1980	1981	1982
27,184	14,443	17,615	17,119	22,958	24,558	27,810

By this measure, it cannot be said agriculture is declining, or even that demand for agricultural labor is declining.

The Arizona Crop and Livestock Reporting Service reports July employment of hired farm labor as:

7/76	7/77	7/78	7/79	7/80	7/81	7/82
15,000	13,500	18,000	15,000	16,000	12,000	13,000

These data suggest some decline in farm employment statewide, but data before 1980 that were collected quarterly suggest as much change occurred in any one year as the range in employment over these seven years, so the apparent decline could be just a matter of timing of crop activity relative to the survey period.

The most detailed data available are from the Census of Agriculture, 1982, which was just released in February this year. Statewide and county tables of selected data items appear following this report.

These data do show declining use of labor in many counties, including the major crop-growing counties of Maricopa, Pinal and Yuma. In order to determine a net decline of labor use, it was necessary to estimate the number of contract laborers from the dollar value of the contracts reported. The estimate was made by using the average wage (\$4.11 an hour in 1982) and average hours worked per week (43.6 in 1982) as reported in Arizona Agricultural Statistics, 1982 of the Arizona Crop & Livestock Reporting Service. Then by assuming these are seasonal workers who work less than 150 days a year, the number of workers can be estimated (e.g., $\$4.11 \times 46.3 = \$190$ per week; $\$190 \times 25 \text{ weeks} = \$4750$ per year; $\$31,252,000 / \$4750 = 6,579$ workers in 1982). Similarly, using 1978 data of hours and earnings, an estimate can also be made for that year of 8,271 workers. Given these estimates, there has been a net decline of labor usage statewide of 4,909 workers in five years. Using the same method for estimating contract labor workers in each of the counties, it can be shown there was

a net labor loss in Gila, Graham, Greenlee, Maricopa, Pima, Pinal, Yavapai and Yuma Counties.

Only by the measure of labor use can it be said that the agriculture industry in Arizona is declining. Other measures show either a steady-state situation or actual growth. For instance, the number of farms is growing (up 16.4 percent statewide) although the number of farms selling more than \$40,000 worth of goods is only up 3.3 percent, and the number selling \$100,000 or more has declined very slightly (down 0.3 percent). In addition, the market value of all products sold was up 16.5 percent over the five years between the censuses. That amount was nearly equal to inflation of farm prices as measured by the U.S. Commodity Price Index for all farm products (up 16.0 percent). Where agriculture appears to be in a bind is in its rising production expenses. Expenses climbed 67.2 percent between 1977 and 1981. Despite that rise, however, net income increased 17.2 percent in the same period according to the Arizona Agriculture Statistics, 1982 of the Arizona Crop & Livestock Reporting Service.

Unlike copper mining in Arizona, there is no clear evidence that the agriculture industry is in decline. Instead, it appears it is simply getting more efficient, just as agriculture has since the beginning of the industrial revolution. Although some experts contend the efficiencies have gone about as far as they can in reducing labor usage, some decline in labor usage is evident between the agriculture censuses. This evidence suggests that "farm laborer" may, in fact, be a declining occupation.

Ron Simon



CENSUS OF AGRICULTURE 1982

	ARIZONA			APACHE COUNTY			COCHISE COUNTY			COCONINO COUNTY		
	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE
FARMS, NUMBER OF	6,298	7,337	+16.4	232	295	+27.2	719	786	+9.3	149	233	+56.4
FARMS SELLING												
\$40,000 or more	2,175	2,247	+3.3	49	42	-14.3	207	201	-2.9	35	38	+8.6
\$100,000 or more	1,560	1,555	-0.3	24	24	0.0	106	101	-3.8	22	26	+18.2
LAND IN FARMS (ACRES)	38,505,905	36,693,275	-4.9	6,481,084	6,218,104	-4.1	2,272,274	2,003,285	-11.8	5,865,720	5,603,758	-4.5
LAND IN FARMS BY USE												
Cropland										51	90	+76.4
Farms, Number of	4,472	4,953	+10.8	156	186	+19.2	441	465	+5.4			
Acres	1,543,713	1,482,790	-3.9	46,093	37,571	-18.5	133,327	135,024	+1.3	9,079	16,749	+84.5
Harvested Cropland												
Farms, Number of	3,579	3,840	+7.3	107	134	+25.2	333	336	+0.1	25	53	+117.0
Acres	1,160,631	1,048,543	-5.2	8,205	9,579	+16.7	78,079	66,721	-14.5	1,286	(D)	NA
Irrigated Land												
Farms, Number of	4,185	4,440	+6.1	135	153	+13.3	381	385	+1.0	32	43	+34.3
Acres	1,195,727	1,098,857	-8.1	20,906	19,027	-9.0	89,360	74,847	-16.2	2,520	3,759	+49.2
MARKET VALUE OF PRODUCTS SOLD (\$1000)	1,311,458	1,527,945	+16.5	10,100	13,847	+35.1	47,097	45,923	-2.4	16,627	12,886	-22.5
PRODUCTION EXPENSES												
Hired Labor												
\$1,000	129,517	156,474	+20.8	1,276	1,493	+17.0	4,675	4,211	-9.9	1,049	1,174	+11.9
Workers, Number of	18,732	15,515	-17.2	137	184	+34.3	562	490	-12.8	132	153	+16.9
Farms, Number of	2,119	2,086	-1.6	50	42	-16.0	187	180	-3.7	42	43	+2.4
Contract Labor												
\$1,000	29,056	31,252	+7.6	40	34	-15.0	667	1,554	+128.5	59	(D)	NA
LMI Estimated Number of Seasonal Workers (Under 150 days)	8,271	6,570	-20.6	11	7	-36.4	190	320	+68.0	17	NA	NA
DECLINING? (NET LABOR LOSS)		YES			NO			NO			NO	
	GILA COUNTY			GRAHAM COUNTY			GREENLEE COUNTY			MARICOPA COUNTY		
	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE
FARMS, NUMBER OF	132	163	+23.5	280	308	+9.9	124	120	-3.2	2,028	2,045	+0.8
FARMS SELLING												
\$40,000 or more	31	22	-29.0	124	121	-2.4	27	22	-18.5	783	742	-5.2
\$100,000 or more	13	9	-30.8	83	75	-9.6	7	7	0.0	597	540	-9.5
LAND IN FARMS (ACRES)	1,166,761	1,151,510	-1.3	1,872,587	1,821,991	-2.7	160,965	135,315	-15.9	1,413,279	1,429,630	+1.2
LAND IN FARMS BY USE												
Cropland												
Farms, Number of	64	90	+40.6	228	227	-0.4	86	89	+3.4	1,603	1,745	+8.9
Acres	7,091	5,056	-28.7	55,136	54,056	-2.0	8,084	(D)	NA	509,001	463,229	-9.8
Harvested Cropland												
Farms, Number of	23	44	+91.3	194	184	-5.2	66	63	-4.5	1,295	1,357	+4.8
Acres	(D)	835	NA	43,361	42,868	-1.1	1,188	(D)	NA	432,225	371,613	-14.0
Irrigated Land												
Farms, Number of	41	58	+41.5	218	215	-1.4	83	82	-1.2	1,553	1,630	+5.0
Acres	1,430	766	-46.4	45,897	44,243	-3.6	5,841	4,258	-24.5	452,147	378,856	-16.2
MARKET VALUE OF PRODUCTS SOLD (\$1000)	4,089	3,597	-12.0	32,304	30,555	-5.6	3,761	3,847	+2.3	539,435	627,685	+16.4
PRODUCTION EXPENSES												
Hired Labor												
\$1,000	640	399	-37.6	3,199	3,213	+0.4	330	281	-14.8	54,114	62,912	+16.3
Workers, Number of	67	60	-10.4	309	312	+19.8	44	45	+2.3	9,468	6,688	-29.3
Farms, Number of	36	31	-13.8	114	109	-4.4	26	18	-30.8	728	691	-5.1
Contract Labor												
\$1,000	38	9	-76.3	193	107	-44.5	62	62	0.0	9,595	16,116	+68.0
LMI Estimated Number of Seasonal Workers (Under 150 days)	11	2	-81.8	55	2	-96.0	18	13	-27.8	2,731	1,388	-49.2
DECLINING? (NET LABOR LOSS)		YES			YES			YES			YES	
U.S. COMMODITY PRICE INDEX ALL FARM PRODUCTS	525	609	+16.0									

(D) = Disclosure - Data withheld to avoid disclosing individual farm information.

NA = Not Available

CENSUS OF AGRICULTURE 1982

	GUAHAY COUNTY			NAYAJU COUNTY			PIMA COUNTY			PINAL COUNTY		
	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE
FARMS, NUMBER OF	193	222	+15.0	269	330	+22.7	406	539	+32.7	525	607	+15.6
FARMS SELLING												
\$40,000 or more	42	42	0.0	41	47	+14.6	114	102	-10.5	345	346	+0.3
\$100,000 or more	25	29	+16.0	26	30	+15.4	83	68	-18.1	274	275	+0.4
LAND IN FARMS (ACRES)	2,475,945	2,103,739	-15.3	7,335,940	7,210,858	-2.0	3,688,294	3,476,555	-5.7	2,307,333	2,270,313	-4.7
LAND IN FARMS BY USE												
Cropland	105	108	+2.9									
Farms, Number of	(D)	23,935	NA	187	223	+19.3	198	225	+13.6	413	486	+17.7
Acres				22,136	27,939	+26.2	(D)	(D)	NA	361,117	320,229	-11.3
Harvested Cropland												
Farms, Number of	76	77	+1.3	125	150	+20.0	143	152	+6.3	377	441	+17.2
Acres	9,800	11,792	+19.4	6,569	7,368	+12.2	42,126	34,928	-17.1	206,679	210,766	+2.0
Irrigated Land												
Farms, Number of	93	100	+7.5	164	184	+12.2	177	195	+10.2	406	459	+12.3
Acres	12,262	13,127	+7.1	11,390	10,229	-10.2	46,819	37,914	-19.0	221,578	214,181	-3.3
MARKET VALUE OF PRODUCTS SOLD, \$1000	11,200	14,378	+27.7	16,596	27,844	+67.8	50,134	45,162	-9.9	287,601	324,561	+12.9
PRODUCTION EXPENSES												
Hired Labor												
\$1,000	1,264	1,772	+39.0	1,329	1,210	-9.0	5,003	4,928	-1.5	18,943	22,192	+17.2
Workers, Number of	103	167	+62.1	38	40	+5.3	576	476	-17.1	2,016	1,974	-2.0
Farms, Number of	40	59	+47.5	228	133	-41.6	119	114	-4.2	275	301	+9.5
Contract Labor												
\$1,000	60	(D)	NA	41	23	-43.9	385	467	+21.3	4,511	4,258	-5.6
LMI Estimated Number of Seasonal Workers (Under 150 days)	12	NA	NA	12	5	-58.3	110	98	-10.9	1,204	895	-25.7
DECLINING? (NET LABOR LOSS)			NO			NO			YES			YES
	SANTA CRUZ COUNTY			YAVAPAI COUNTY			YUMA COUNTY					
	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE	1978	1982	PERCENT CHANGE			
FARMS, NUMBER OF	130	133	+2.3	379	475	+25.3	724	721	-0.4			
FARMS SELLING												
\$40,000 or more	29	28	-3.4	85	80	-5.9	335	332	-0.9			
\$100,000 or more	11	10	-9.1	42	41	-2.4	247	260	+5.3			
LAND IN FARMS (ACRES)	407,326	354,074	-13.1	2,511,625	2,397,718	-4.5	496,770	510,425	+2.7			
LAND IN FARMS BY USE												
Cropland												
Farms, Number of	50	56	+12.0	211	291	+37.9	679	672	-1.0			
Acres	7,732	9,992	+29.3	21,348	29,609	+38.7	281,074	302,997	+7.8			
Harvested Cropland												
Farms, Number of	24	23	-4.2	125	176	+40.8	604	655	+8.4			
Acres	1,975	1,378	-30.2	6,665	(D)	NA	264,095	277,149	+4.9			
Irrigated Land												
Farms, Number of	33	34	+3.0	194	250	+28.9	675	667	-1.2			
Acres	3,908	2,128	-46.4	13,743	12,269	-10.7	268,066	283,253	+5.7			
MARKET VALUE OF PRODUCTS SOLD (\$1000)	4,306	4,184	-2.8	19,526	18,320	-6.2	268,542	355,355	+32.3			
PRODUCTION EXPENSES												
Hired Labor												
\$1,000	568	580	+2.1	1,576	1,444	-8.4	35,531	50,065	+42.6			
Workers, Number of	90	114	+26.7	310	258	-16.8	4,530	4,257	-6.0			
Farms, Number of	46	56	+21.7	111	141	+27.0	299	261	-12.7			
Contract Labor												
\$1,000	30	54	+80.0	85	40	-52.9	13,286	8,436	-36.5			
LMI Estimated Number of Seasonal Workers (Under 150 days)	9	11	+22.2	24	8	-66.7	3,782	1,773	-53.1			
DECLINING? (NET LABOR LOSS)			NO			YES			YES			
U.S. COMMODITY PRICE INDEX (All Farm Products)	525	609	+16.0									

(D) = Disclosure - Data withheld to avoid disclosing individual farm information.

NA = Not Available

ECONOMIC RECOVERY IN ARIZONA: HOW LONG AND HOW STRONG?

When the 1984 Arizona employment forecast was unveiled in February, the outlook for the national economy was bright. Some clouds have appeared on the horizon, however, in the form of rising interest rates. An air of uncertainty surrounds the economy today; news of employment gains, capital spending and housing starts is mixed with reports of higher consumer prices, government deficits and trade imbalances.

As a growing state, Arizona is dependent on industries that are vulnerable to an economic downturn. In order to examine the sensitivity of Arizona to the course of the national economy, Labor Market Information's Forecasting and Analysis section used the forecasting model to simulate three alternative scenarios. The national forecasts underlying the Arizona employment simulations are supplied by Data Resources, Inc. of Lexington, Massachusetts. Alternative assumptions regarding the future course of the U. S. economy are summarized in Table 1.

The Control forecast represents the most likely course for the economy, assuming that interest rates remain stable and growth continues at a moderate pace. The Optimistic forecast calls for a gradual decline in interest rates and strong economic growth resulting from higher levels of investment and savings. The Pessimistic scenario is characterized by boom conditions in early 1984. Growth is not sustained as rapidly rising interest rates and reduced investment ultimately send the economy on a lower growth path.

Table 2 shows the effects of each simulation on employment in Arizona. It is interesting to note that there is little difference among the alternative forecasts during the first year--in fact, employment grows fastest in the Pessimistic forecast. There is little warning of the diverging paths Arizona's economy may take in the future. By the end of 1986, the Optimistic scenario predicts a level of wage and salary employment in Arizona which is nearly 65,000 jobs above the level in the Pessimistic forecast. The long run effects of the alternative simulations are illustrated in Figures 1 and 2.

The credit crunch predicted by the Pessimistic forecast arrives in late 1984-1985. New construction is the first sector affected. Employment in construction declines gradually in 1985 and falls sharply in 1986 and beyond, as high interest rates discourage housing and commercial construction. Manufacturing employment, a strong growth area in recent times, stays virtually flat in the Pessimistic scenario. Overall wage and salary employment rises only by 7,000 workers during 1986 in this forecast. Our Control forecast, by contrast, shows over 40,000 wage and salary jobs added in 1986, while the Optimistic version predicts over 65,000 new positions in the same year, with manufacturing, construction and trade leading the way. The predicted 1986 unemployment rate of 9.3 percent in the Pessimistic forecast is nearly 50 percent higher than the Optimistic forecast of 6.4 percent during the same period.

TABLE 1

KEY-ASSUMPTIONS

	Optimistic	Control	Pessimistic
1984			
U. S. Unemployment Rate	7.4%	7.5%	7.3%
Real GNP Growth	5.8%	5.5%	6.3%
Average Prime Rate	10.71%	11.02%	11.45%
1985			
U. S. Unemployment Rate	6.8%	7.2%	7.3%
Real GNP Growth	4.3%	3.2%	1.7%
Average Prime Rate	10.05%	11.59%	13.63%
1986			
U. S. Unemployment Rate	6.4%	7.4%	8.6%
Real GNP Growth	4.0%	2.6%	0.3%
Average Prime Rate	8.54%	10.80%	13.88%

SOURCE: Labor Market Information
March 1984

The implications are clear: a stable, growing national economy will create continued employment growth in nearly every industrial category, while the uncertainty resulting from a potential boom/bust pattern in 1984-1985 would choke off construction activity and growth in manufacturing, services and trade. Arizona would suffer from many fewer job opportunities and a permanently higher level of unemployment.

There is no doubt that fluctuations in the nation's economic fortunes are a way of life. We must make every effort to identify the links between the U. S. economy and Arizona and to understand the effects of national and international events on the state. In the months ahead, we will hope for the best while remaining aware of developments which have an adverse impact on the labor market in Arizona.

Brian Cary

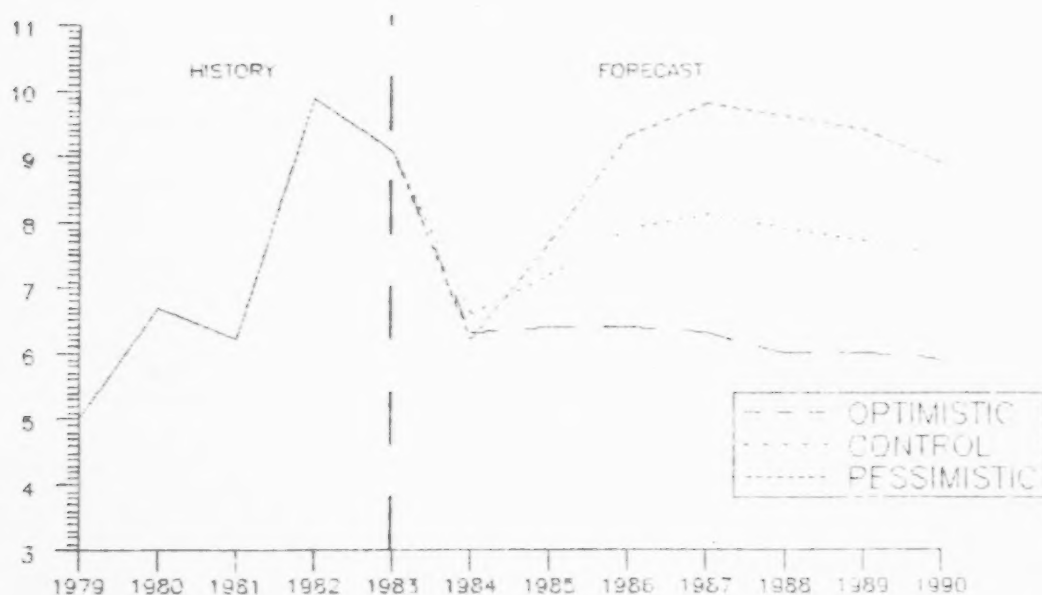
TABLE 2
ARIZONA
(in thousands)
CONTROL

	1983 Ann. Avg.	1984 Ann. Avg.	1985 Ann. Avg.	1986 Ann. Avg.	1983-1986 Ann. Avg. Growth Rate (%)
Unemployment Rate	9.1	6.6	7.2	7.9	--
Wage & Salary	1,064.5	1,124.2	1,171.7	1,218.9	4.8
Manufacturing	155.7	164.4	172.2	180.8	5.4
Mining	14.2	14.2	15.0	15.9	4.0
Construction	76.4	85.1	86.0	87.9	5.0
T.C.P.U.	56.0	58.7	60.9	62.6	3.9
Trade	257.3	273.0	286.6	298.5	5.3
F.I.R.E.	65.4	68.1	70.9	73.5	4.1
Service	237.4	252.4	265.9	280.1	6.0
Government	202.1	208.2	214.1	219.6	2.9
OPTIMISTIC					
Unemployment Rate	9.1	6.3	6.4	6.4	--
Wage & Salary	1,064.5	1,126.4	1,182.2	1,247.5	6.6
Manufacturing	155.7	164.9	175.0	188.4	7.0
Mining	14.2	14.4	15.1	16.2	4.7
Construction	76.4	85.2	87.4	92.1	6.8
T.C.P.U.	56.0	58.9	61.8	65.2	5.5
Trade	257.3	273.7	289.6	306.2	6.3
F.I.R.E.	65.4	68.2	71.0	74.1	4.4
Service	237.4	252.7	267.2	283.4	6.5
Government	202.1	208.4	215.0	221.7	3.2
PESSIMISTIC					
Unemployment Rate	9.1	6.2	7.7	9.3	--
Wage & Salary	1,064.5	1,130.0	1,176.0	1,182.9	3.9
Manufacturing	155.7	165.5	173.3	173.6	3.8
Mining	14.2	14.4	15.2	16.3	4.9
Construction	76.4	86.6	85.4	76.6	0.1
T.C.P.U.	56.0	59.1	61.6	61.5	3.3
Trade	257.3	274.3	288.2	292.9	4.6
F.I.R.E.	65.4	68.5	71.7	72.5	3.6
Service	237.4	252.8	266.6	278.4	5.6
Government	202.1	208.7	214.0	217.7	2.6

SOURCE: Labor Market Information
March 1984

FIGURE 1

ARIZONA UNEMPLOYMENT RATE

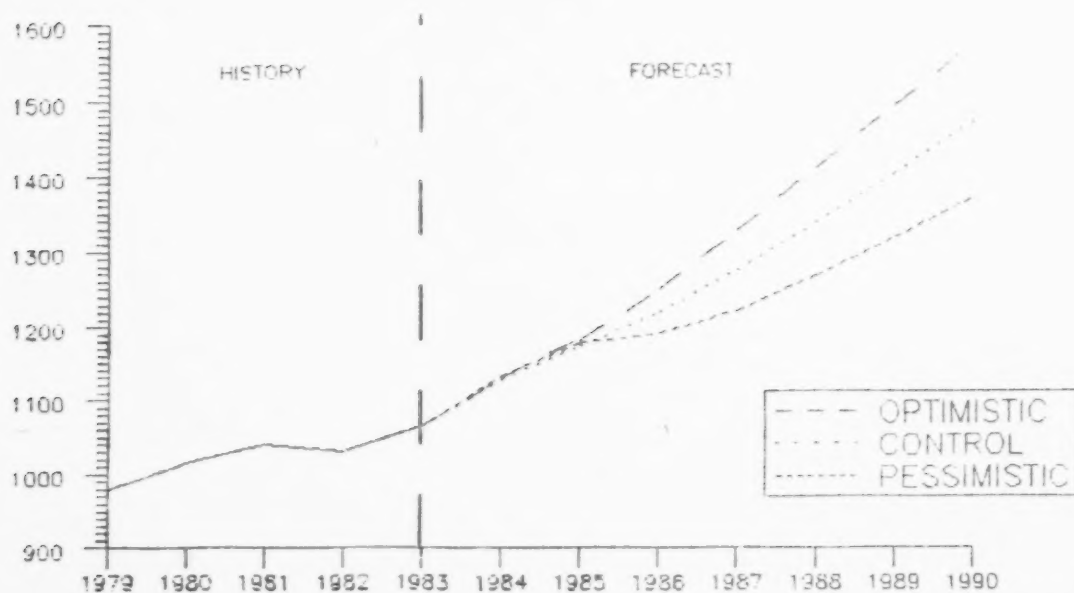


DEPARTMENT OF ECONOMIC SECURITY
LABOR MARKET INFORMATION

April 1984

FIGURE 2

ARIZONA WAGE AND SALARY EMPLOYMENT (IN THOUSANDS)



DEPARTMENT OF ECONOMIC SECURITY
LABOR MARKET INFORMATION

April 1984

Arizona Labor Force and Employment

March 1984 (in thousands)

	ARIZONA			-- Ant Change --	
	Mar. 1984	Feb. 1984	Mar. 1983	Feb. 1983 to Mar.	1983 to 1984
TOTAL CIVILIAN LABOR FORCE	1410.2	1406.6	1373.6	+3.6	+36.6
Total Unemployment	76.2	80.1	141.2	-3.9	-65.0
Rate	5.4	5.7	10.3	---	---
Rate (Sea. Adj.)**	5.5	5.6	10.4	---	---
Total Employment	1334.0	1326.5	1232.4	+7.5	+101.6

THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

TOTAL WAGE AND SALARY	1122.6	1120.4	1050.6	+12.2	+82.0
Manufacturing	164.5	162.7	150.9	+1.8	+13.6
Durable Goods	128.9	127.2	116.9	+1.7	+12.0
Stone, Clay and Glass	6.7	6.8	5.5	-0.1	+1.2
Primary and Fabricated Metals	14.8	14.6	14.3	+0.2	+0.5
Primary Metals	6.4	6.4	6.6	+0.0	-0.2
Fabricated Metals	8.4	8.2	7.7	+0.2	+0.7
Machinery	64.6	64.0	60.3	+0.6	+4.3
Other Durable Goods	42.8	41.8	36.8	+1.0	+6.0
Aircraft and Missiles	18.9	18.6	17.3	+0.3	+1.6
Lumber and Wood Products (Except Furniture)	6.9	6.7	5.6	+0.2	+1.3
All Other Durable Goods	17.0	16.5	13.9	+0.5	+3.1
Nondurable Goods	35.6	35.5	34.0	+0.1	+1.6
Food and Kindred Products	7.6	7.6	8.1	+0.0	-0.5
Apparel	5.5	5.5	5.0	+0.0	+0.5
Printing and Publishing	12.8	12.8	11.8	+0.0	+1.0
All Other Nondurable Goods	9.7	9.6	9.1	+0.1	+0.6
Mining and Quarrying	13.2	14.2	14.4	-1.0	-1.2
Copper Mining	11.0	11.3	11.6	-0.3	-0.6
Other Mining and Quarrying	2.2	2.9	2.8	-0.7	-0.6
Construction	86.3	83.5	69.4	+2.8	+16.9
Trans., Communications, and Public Utilities	59.1	58.5	56.3	+0.6	+2.8
Transportation	25.1	24.7	23.2	+0.4	+1.9
Communications and Public Utilities	34.0	33.8	33.1	+0.2	+0.9
Trade	269.4	268.1	253.4	+1.3	+16.0
Wholesale Trade	54.5	54.1	50.6	+0.4	+3.9
Retail Trade	214.9	214.0	202.8	+0.9	+12.1
General Merchandise and Apparel	36.0	35.7	35.4	+0.3	+0.6
Food Stores	34.0	34.0	33.1	+0.0	+0.9
Automotive and Service Stations	25.0	24.7	23.7	+0.3	+1.3
Eating and Drinking Places	76.9	76.2	70.4	+0.7	+6.5
Other Retail Trade	43.0	43.4	40.2	-0.4	+2.8
Finance, Insurance, and Real Estate	68.5	67.7	63.7	+0.8	+4.8
Services and Miscellaneous	255.4	252.6	232.6	+2.8	+22.8
Hotels and Other Lodging Places	27.5	26.7	25.4	+0.8	+2.1
Business Services	52.0	51.2	44.3	+0.9	+7.7
Health Services	67.3	66.9	63.4	+0.4	+3.9
Other Services	108.6	107.8	99.5	+0.8	+9.1
Government	216.2	213.1	209.2	+3.1	+6.3
Federal	39.4	39.2	38.0	+0.2	+1.4
State and Local	176.8	173.9	171.9	+2.9	+4.9
School	110.5	108.4	106.6	+2.1	+3.9

* Preliminary

** Normal seasonal variations have been eliminated to reflect underlying economic trends.

NOTE--Data have been adjusted to the 1972 Standard Industrial Classifications (SIC).

Arizona Labor Force and Employment

March 1984 (in thousands)

MARICOPA COUNTY

Mar.* 1984	Feb. 1984	Mar. 1983	Feb. 1983	Ant. Change to Mar. to 1984
890.9	885.6	843.3		+5.3 +47.6
37.0	38.5	68.2		-1.5 -31.2
4.2	4.3	8.1		--- ---
4.2	4.3	8.2		--- ---
853.9	847.1	775.1		+6.8 +78.8

PIMA COUNTY

Mar.* 1984	Feb. 1984	Mar. 1983	Feb. 1983	Ant. Change to Mar. to 1984
260.3	260.4	256.3		-0.1 +4.0
13.0	13.8	27.2		-0.8 -14.2
5.0	5.3	10.6		--- ---
5.0	5.3	10.7		--- ---
247.3	246.6	229.1		+0.7 +18.2

SED FOR ECONOMIC ASSISTANCE PROGRAMS

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

738.8	729.0	674.2	+0.8	+64.6	208.4	206.6	194.6	+1.8	+13.8
119.2	117.7	108.8	+1.5	+10.4	27.7	27.6	25.8	+0.1	+1.9
94.3	92.9	85.6	+1.4	+6.7	23.0	22.9	21.1	+0.1	+1.9
4.0	4.1	3.2	-0.1	+0.8					
9.3	9.2	9.4	+0.1	-0.1					
51.9	51.2	47.7	+0.7	+4.2					
29.1	28.4	25.3	+0.7	+3.8					
24.9	24.8	23.2	+0.1	+1.7	4.7	4.7	4.7	+0.0	+0.0
5.1	5.1	5.7	+0.0	-0.6					
3.3	3.3	2.6	+0.0	+0.7					
9.5	9.5	8.6	+0.0	+0.9					
7.0	6.9	6.3	+0.1	+0.7					
0.7	0.6	0.6	+0.1	+0.1	3.6	3.6	3.8	+0.0	-0.2
60.2	58.4	48.5	+1.8	+11.7	17.4	16.8	12.5	+0.6	+4.9
38.2	37.7	35.7	+0.5	+2.5	9.0	8.3	8.7	+0.1	+0.3
16.9	16.6	15.2	+0.3	+1.7	4.0	3.9	3.6	+0.1	+0.4
21.3	21.1	20.5	+0.2	+0.8	5.0	5.0	5.1	+0.0	-0.1
183.6	182.3	171.0	+1.3	+12.6	43.8	43.9	42.1	-0.1	+1.7
42.7	42.3	39.8	+0.4	+2.9	6.4	6.4	5.8	+0.0	+0.6
140.9	140.0	131.2	+0.9	+9.7	37.4	37.5	36.3	-0.1	+1.1
23.2	22.8	22.9	+0.4	+0.3	6.5	6.7	6.2	-0.2	+0.3
21.9	21.9	21.0	+0.0	+0.9	5.5	5.5	5.5	+0.0	+0.0
15.0	15.8	14.9	+0.2	+1.1	4.1	4.0	4.0	+0.1	+0.1
49.8	49.2	44.8	+0.6	+5.0	13.9	13.8	13.4	+0.1	+0.5
30.0	30.3	27.6	-0.3	+2.4	7.4	7.5	7.2	-0.1	+0.2
53.7	52.9	49.9	+0.8	+3.8	9.6	9.6	8.7	+0.0	+0.9
174.4	172.3	155.4	+2.1	+19.0	48.0	47.8	45.5	+0.2	+2.5
16.7	16.3	15.3	+0.4	+1.4	4.7	4.7	4.3	+0.0	+0.4
43.1	42.3	36.5	+0.8	+6.6	7.3	7.2	6.3	+0.1	+1.0
45.6	45.3	42.1	+0.3	+3.5	13.7	13.8	13.7	-0.1	+0.0
69.0	68.4	61.5	+0.6	+7.5	22.3	22.1	21.2	+0.2	+1.1
108.8	107.1	104.3	+1.7	+4.5	49.3	48.4	47.5	+0.9	+1.8

NONMETROPOLITAN COUNTIES LABOR FORCE AND EMPLOYMENT
March 1984 (Preliminary)

	Apache	Cochise	Coconino	Gila	Graham	Green- lee	La Paz
TOTAL CIVILIAN LABOR FORCE*	14,300	28,500	34,600	13,875	7,475	3,900	4,750
Total Unemployment	1,800	2,175	2,525	1,925	700	275	650
Rate	12.6%	7.6%	7.3%	13.9%	9.4%	7.1%	13.7%
Rate (Seas. Adj.)**	12.6%	7.7%	7.1%	13.4%	9.3%	7.1%	-INA-
Total Employment	12,500	26,325	32,075	11,950	6,775	3,625	4,100

THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED
FOR ECONOMIC ASSISTANCE PROGRAMS

TOTAL WAGE AND SALARY.	12,950	21,400	30,025	9,600	4,275	3,125	2,350
Manufacturing.	625	1,500	2,375	1,425	100	350	100
Mining and Quarrying	50	350	50	1,375	75	1,650	0
Construction	1,475	875	975	425	125	50	75
Trans., Comm., & Pub. Util..	1,500	1,300	2,600	275	150	50	50
Trade.	1,025	4,350	6,775	1,700	1,150	325	800
Fin., Insur., & Real Estate.	150	625	600	225	100	25	100
Services and Miscellaneous .	3,200	2,600	6,525	1,500	700	100	650
Government	4,800	9,800	10,125	2,675	1,875	575	575

	Mohave	Navajo	Pinal	Santa Cruz	Yavapai	Yuma
TOTAL CIVILIAN LABOR FORCE*	20,925	24,450	30,475	8,600	31,625	35,575
Total Unemployment	2,250	2,575	3,475	1,050	2,975	3,825
Rate	10.8%	10.5%	11.4%	12.2%	9.4%	10.8%
Rate (Seas. Adj.)**	10.7%	10.5%	11.6%	15.0%	8.8%	-INA-
Total Employment	18,675	21,875	27,000	7,550	28,650	31,750

THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED
FOR ECONOMIC ASSISTANCE PROGRAMS

TOTAL WAGE AND SALARY.	14,850	16,400	22,775	7,525	17,225	22,875
Manufacturing.	2,100	1,775	2,550	875	2,075	1,725
Mining and Quarrying	250	375	4,050	25	675	50
Construction	825	600	550	225	950	1,450
Trans., Comm., & Pub. Util..	925	1,575	1,000	550	875	975
Trade.	4,125	2,925	3,800	3,200	4,425	7,375
Fin., Insur., & Real Estate.	725	275	725	225	725	750
Services and Miscellaneous .	2,800	4,450	2,150	1,050	3,150	4,075
Government	3,100	4,425	7,950	1,375	4,350	6,475

*Adjusted to the Current Population Survey (CPS) to reflect place of residence.
**Seasonal adjustment not applicable for economic assistance programs.

NOTE--Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

**ARIZONA LABOR FORCE AND EMPLOYMENT FOR
ECONOMIC ASSISTANCE PROGRAMS
February 1984 (Final)**

<u>County</u>	<u>Civilian Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Rate</u>
Statewide	1,406,556	1,326,462	80,094	5.7%
Apache	14,401	12,450	1,951	13.5
Cochise	28,754	26,329	2,425	8.4
Coconino	34,524	31,770	2,754	8.0
Gila	14,102	12,089	2,013	14.3
Graham	7,481	6,748	733	9.8
Greenlee	3,901	3,634	267	6.8
La Paz	4,721	4,061	660	14.0
Maricopa	885,569	847,093	38,476	4.3
Mohave	21,710	19,273	2,437	11.2
Navajo	24,719	21,795	2,924	11.8
Pima	260,364	246,587	13,777	5.3
Pinal	30,548	26,943	3,605	11.8
Santa Cruz	8,595	7,430	1,165	13.6
Yavapai	31,896	28,819	3,077	9.6
Yuma	35,271	31,441	3,830	10.9

Data have been adjusted to the 1972 Standard Industrial Classification (SIC). These figures are the only official BLS labor statistics to be used for revenue sharing purposes. They are not designed to be used as economic indicators. Note: Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

**ESTIMATED HOURS AND EARNINGS OF PRODUCTION WORKERS
IN SELECTED INDUSTRIES IN ARIZONA
March 1984**

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVG. HOURLY EARNINGS		
	MAR.* 1984	FEB. 1984	MAR. 1983	MAR.* 1984	FEB. 1984	MAR. 1983	MAR.* 1984	FEB. 1984	MAR. 1983
FOR THE STATE OF ARIZONA									
Manufacturing	368.34	374.95	348.96	40.7	40.8	39.7	9.05	9.19	8.79
Aircraft & Missiles	488.10	512.75	465.89	42.3	43.9	42.2	11.35	11.68	11.04
Food & Kindred Products	316.80	312.50	330.89	38.4	38.4	40.6	8.25	8.14	8.15
Primary Metals	456.55	474.39	456.87	37.3	38.6	38.2	12.24	12.29	11.96
Machinery	319.42	338.92	320.80	40.6	40.3	39.9	8.36	8.41	8.04
Copper Mining	520.42	562.65	514.44	39.1	42.4	39.3	13.31	13.27	13.09
Construction	416.94	411.41	458.92	36.8	35.9	38.5	11.33	11.46	11.92
Utilities	524.10	524.10	479.12	43.1	43.1	42.4	12.16	12.16	11.30
Retail Trade**	232.07	225.09	205.08	33.2	32.2	33.4	6.99	6.99	6.14
Wholesale Trade	343.01	343.01	334.67	39.7	39.7	39.7	8.64	8.64	8.43

* Preliminary

** Excludes eating and drinking places.

NOTE--These estimates are based on a sample of full and part-time production and related employees whose payroll and hours are reported for the pay period which includes the 12th of the month. All data have been adjusted to the 1972 Standard Industrial Classifications (SIC).

--Prepared by Labor Market Information, Research and Analysis

(1972 SIC, 1/84)

THE ARIZONA LABOR FORCE IN MARCH 1984

Arizona's economic news keeps getting better each month. In July 1982, total unemployment reached a peak level of 151,000. In less than two years, it has fallen to nearly half that level and the total number of people working has risen by 156,000. Record employment levels were recorded in March for total employment, as well as for manufacturing, services, government and the finance, insurance and real estate industries.

Comparing Arizona to other states makes the magnitude of our economic improvement even clearer. In January 1983, 24 states had unemployment rates lower than Arizona. By February 1984 (the most recent date for which comparable data are available), that had fallen to eight states with lower rates. And we estimate that, when comparable data for March are available, only four to six states will have lower unemployment rates. The improvement is most evident in our metropolitan communities. Out of 244 metropolitan areas nationwide, only seven had unemployment rates lower than Phoenix while 40 had unemployment rates lower than Tucson.

Looking at employment by industry, nearly every major sector, except mining, is at or near record levels of employment. While manufacturing, services, government and the finance, insurance and real estate industries are at record levels, the construction industry is within five percent of its record level and trade is below record levels only because it is beginning to lose some of its heavy winter season business.

But in general, employment conditions continue to look very good. Many businesses in the metropolitan areas are hiring and show no sign at this time of slowing.

The only dark cloud on our otherwise bright economic landscape is mining. The loss of 1,000 jobs this month was partly the result of copper layoffs and partly the result of a strike at Peabody Coal. Employment in mining is nearly half of its peak level recorded in June 1981 of 25,700 and now represents less than 1.2 percent of all the state's jobs.

Looking ahead, it appears that the decline in unemployment will probably stall in a few months. While many new jobs are being created, people who fill these positions are not helping to reduce the ranks of the unemployed. Rather, people who had not previously been in the labor market are moving immediately into a job without first experiencing unemployment. In addition, an improving national economy and an awareness of Arizona's economic strength will probably encourage many people to move here this summer. This will be particularly evident in the state's metropolitan areas.

In this case, a stabilization or rise in the unemployment rate should not be cause for concern. As unemployment rates reach these low levels, employers become more aggressive in attracting needed staff and people again reenter the labor market. At least for the foreseeable future, Arizona's metropolitan areas look very strong.

ARIZONA UNEMPLOYMENT INSURANCE ACTIVITIES - FEBRUARY 1984

	February 1984	January 1984	February 1983	% Change From One Year Ago
Arizona Claimants Served**	31,302	33,168	70,881	-55.8%
Arizona Average Weeks Unemployed***	9.0	9.7	9.7	- 7.2%
Arizona Benefits Paid**	\$ 9,890,768	\$ 9,882,100	\$ 22,093,021	-55.2%
Arizona Trust Fund Balance	\$168,594,587	\$163,587,294	\$189,971,130	-11.3%

*Estimated **All Programs ***UI Only

BOATING IN ARIZONA

Arizonans love boating. Despite our state's vast desert areas and land-locked geography, boating is a major recreational sport. Testifying to its popularity are the 8.5 million visits made to water-based recreational areas in Arizona in 1982, more than half of the visits recorded to all national and state parks in Arizona during that year.*

Another way of measuring boating's popularity is to look at the statistics on boat registrations maintained by the Arizona Game and Fish Department. For the ten-year period 1970 to 1980, boat registrations increased 110 percent while Arizona's population increased 53 percent. With the 1981-82 recession, growth in boat registrations fell behind population growth (2.4 percent versus 3.3 percent); in 1983, as the economy recovered, boat registrations once again outgrew population (3.3 percent to 1.8 percent).

It seems, then, that Arizonans are increasingly choosing boating as a form of recreation. In fact, it has been said that there are more boats registered in Arizona, relative to the population, than in any other state. The facts, however, do not bear out this claim. Unlike most states, Arizona requires that all privately owned watercraft be registered. Only three other states--Minnesota, Ohio and Oklahoma--have similar registration requirements. Using the 1980 figures for boat registrations and population in these states, the following ratios of persons to boats have been computed:

Minnesota	7.0
Oklahoma	17.9
ARIZONA	28.5
Ohio	40.0

According to these figures, boat ownership is more common in Arizona than in Ohio but much less common than in Oklahoma and Minnesota.

But what is boating's economic impact in Arizona? While many of the data that would

enable us to measure this with precision are unavailable, certain facts are clear. First, boating is an economic factor in six Arizona counties -- Coconino, Maricopa, Mohave, Pima, Santa Cruz and Yuma. These are the only counties in which individuals are employed by firms specializing either in the manufacture and repair of boats, in water transportation services, or in retail boat sales. (Information on boat-related employment by wholesalers and by retail sporting goods stores is unavailable.)

Firms specializing in boat building and repair are found in Coconino, Maricopa and Mohave Counties. In 1982, a total of 12 such firms employed about 270 persons and paid a total of \$5.3 million in wages. Certainly the largest of these 12 firms is Sea Ray Boats Inc. whose corporate headquarters is located in Phoenix. Each year over 8,000 hulls are produced at the company's 125,000 square-foot plant for prices ranging from \$10,000 to \$50,000. Sea Ray sells to dealers in the United States, Canada, Europe and Australia and the company estimates that it has a 12 percent share of the U.S. market. Within Arizona, Sea Ray's two strongest markets are the Phoenix metro area and Lake Powell.

Water-transportation services are less of a factor in Arizona's economy. In 1982, about 110 workers (.5 percent of transportation industry employment) received wages of \$1.3 million. Most of this employment was concentrated in Coconino and Mohave Counties followed, in descending order, by Pima, Maricopa, Yuma and Santa Cruz Counties.

During 1982, there were 37 firms in Arizona primarily engaged in the retail sale of motorboats and other watercraft, marine supplies and other outboard motors. These firms employed some 192 workers at wages exceeding \$2.6 million. Slightly over 55 percent of this employment and 60 percent of wages was in Maricopa County. Mohave County firms accounted for 12 percent of total wages followed by Pima, Coconino and

Yuma Counties. Average weekly salaries in 1982 were \$264, ahead of those for general retail trade workers (\$188) but well behind those received by workers in other big-ticket retail trade segments such as automobiles (\$387). Wage information available from the first two quarters of 1983 shows that wages for workers in retail boat sales increased with the economic recovery to a weekly average of \$314 but this increase was only slightly ahead of that for automobile sales workers (18.9 percent versus 13.7 percent).

Retail expenditures related to boating are substantial. The National Marine Manufacturers Association (NMMA) publishes statistics on the state distribution of boat, motor, trailer and accessory purchases. According to the NMMA's figures for 1982,

Arizonans spent \$12.56 per capita on boats, outboard motors, boat trailers and marine accessories. Per capita expenditures in selected other states were as follows:

Nevada	\$18.54
Texas	15.67
Utah	14.53
Idaho	13.58
ARIZONA	12.56
Oklahoma	12.50
California	10.15
Colorado	8.85
New Mexico	5.85

JoAnn Wilson

* Arizona Economic Indicators, University of Arizona Division of Economic and Business Research, Spring/Summer 1984.

COUNSELOR TRAINING IN LMI OFFERED IN JUNE

Career counselors, vocational counselors, job counselors, vocational rehabilitation counselors, special education counselors -- don't make your summer plans without considering this opportunity. The new Research Administration of the Arizona Department of Economic Security is offering three one-week training seminars about labor market and career information for client counseling in June. Cooperating in offering this unique opportunity are the Arizona Career Information System, the Arizona Department of Education, the Arizona State Occupational Information Coordinating Committee and the Arizona Business/Industry/Education Council.

The purpose of the training is to help counselors become familiar with the wide variety of job market and career information provided by the cooperating agencies, by the U.S. Labor Department and by other U. S. government organizations. More than that, however, the training is intended to show how the information can be used for student/client counseling. The training project is called Labor Market Information for Improved Career Decision Making (LMI/ICDM).

One week sessions will be offered in three locations during the month of June:

June 11-15, Tucson, Holiday Inn/Holidome
 June 18-22, Phoenix, La Posada
 June 25-29, Flagstaff, Little America

Training will occupy the full five days of each week and will include visits to local firms arranged by the Arizona Business/Industry/Education Council, in addition to workshop-style training. Counselors will be reimbursed for costs of attendance up to the limit imposed on state employees for meals and lodging while away from their usual employment site, as well as travel costs to the site at 20.5 cents per mile. Only 40 training slots are available for each session and attendance will be limited to the site nearest to the counselor's employment location. Counselors interested in attending who did not attend a similar session offered by LMI in 1981 or by the Arizona Career Information System (ACIS) in 1982-83 should contact DES Research Administration, 255-3871, to obtain applications. Or write, Arizona Department of Economic Security, Research Administration, 733A, P. O. Box 6123, Phoenix, Arizona 85005.

Instruction will be given by Betty Newlon, assistant professor and instructor of counseling, University of Arizona, as well as by members of the Labor Market Information and Arizona Career Information System program staff. Curriculum for the project was developed by the Labor Market Institute of North Texas State University under contract with the U.S. Department of Labor. Presentation of the material will be modified by the trainers to include a greater emphasis on local information, and as otherwise deemed appropriate based on the experience gained from former ICDM training sessions.

One counselor has said, "Every program area develops its own jargon to facilitate intra-program communication which, in time, impedes communication between programs." Here's an opportunity to become multi-lingual by learning to speak LMI, and to assist in its translation to clients. If you have ever been confused by the concepts of unemployment, underemployment or by the acronyms DOT, SIC, GOE, OOH or API, sign up now for the ICDM.

A N N O U N C E M E N T

LMI, UI RESEARCH, ASOICC CONSOLIDATED INTO RESEARCH ADMINISTRATION

Effective April 1st, Labor Market Information, Unemployment Insurance Research and the Arizona State Occupational Information Coordinating Committee were consolidated into the Research Administration. This new administration is managed by Dan Anderson and is composed of all the existing staff from the consolidated units.

The Research Administration was established to:

reduce fragmentation in the collection, analysis and dissemination of economic information;

expand and enhance the exchange of technical expertise; and

provide all users a single source to answer their information needs.

This consolidation will benefit both internal and external users of economic information. For staff, access to data will be greatly facilitated. This improved access to data and shared expertise will, in turn, result in better products for all users.

The new Research Administration consists of three major units:

- (1) Data Systems contains those programs engaged chiefly in the production of data and statistical information -- Current Employment Statistics, Local Area Unemployment Statistics, Occupational Estimates, Occupational Forecasts, UI Reports, ES-202 and the Establishment Directory.
- (2) Economic Analysis is responsible for economic forecasts, supply/demand estimates, publications and user training. ASOICC is also now a part of the Economic Analysis unit.
- (3) Technical Services/Special Projects was established to give computer assistance, conduct contract research for the Bureau of Labor Statistics and undertake special projects. Unemployment Insurance Research is also a part of this unit.

NEW DEVELOPMENTS

Manufacturing - Several major employers have recently announced plans to build or expand plants in Chandler. The Motorola Government Electronics Group in Scottsdale will begin construction later this year on a 325,000-square-foot facility to house the Communication Division Aerospace Operations. Approximately 1,500 employees, most from the Group's Scottsdale plant, will occupy the Phase I part of the structure scheduled for completion in early 1986.

Intel Corp. will build a \$75 million automated-assembly plant in Chandler that will employ 800 new employees, including 600 to be hired locally. The 50,000-square-foot plant will be used to implant silicon wafers into semiconductors and will be the first of its kind in the U. S. This plant is in addition to a \$35 million expansion into Chandler announced in January that will bring Intel's components-assembly and testing operations from the Santa Clara, California headquarters.

Also increasing the size of its manufacturing operations in Chandler is Inertia Dynamics Corp., the Collinsville, Connecticut-based company which designs, engineers and manufactures a line of hand-held, gasoline-powered grass and weed trimmers. Employment, now at 200, is expected to increase to more than 300 during the company's peak production season.

Hamilton Aviation, a Tucson aircraft company, has won a contract with General Motors Corp. to retrofit Convair aircraft with a newly developed propeller-driven motor. These modifications will enable the company to increase its work force by 200 or more, the highest employment level the company has had in its 37 years of business.

Hyde Label, a California corporation, is relocating its regional manufacturing plant and warehouse to Phoenix. It will be the company's main plant in the Southwest. Hyde Labels makes pressure-sensitive labels.

Circuit Research Labs Inc. has moved to a new Tempe location as part of a general company expansion. The manufacturer of audio-transmission control systems will add 10 more employees for a total of 35. The move was made possible, according to company spokesmen, by a 40-percent second mortgage from the Office of Economic Planning and Development's Small Business Revitalization program. Valley National Bank provided a 50-percent first mortgage and the company supplied 10 percent.

Lunn Manufacturing, a Phoenix furniture manufacturer, has begun work on a \$3 million plant that will allow it to more than double the size of its operation and work force. Employment will increase to 250 to 300 from 125 when the plant is completed in the fall. The facility is being financed with \$2.7 million in industrial-development bonds from Maricopa County.

Arizona's only anhydrous ammonia-fertilizer plant has resumed operations after a two-year shutdown. The Arizona Agrochemical Company plant in Chandler can produce about half of the state's yearly agricultural need for anhydrous ammonia, which is a basic source of nitrogen for crops. The plant closed in 1981 due to high natural-gas prices and cheap imports of anhydrous ammonia, putting about 40 people out of work. A recent decision by the Arizona Corporation Commission enabled the plant to purchase natural gas at a price sufficiently low to resume profitable operation. The cost of natural gas is about 75 percent of the cost of making anhydrous ammonia.

Airlines - America West Airlines, the eight-month-old, Tempe-based airline, recently hired 160 customer-service representatives at a salary of \$12,000 annually. During the six-to eight-week training course, the representatives will be trained in three areas: flight attendant, airport customer-service desk and reservation attendant. America West, which began operating in August, serves 14 Southwest cities and has 1,000 employees.

Tourism - Tucson-area hotels and resorts are booking more high-revenue meetings and conventions this year, according to a study by the Metropolitan Tucson Convention and Visitors Bureau. According to figures compiled by the bureau, during fiscal 1983, 18.4 percent of the conventions held were corporate. So far this year, 19.5 percent of the meetings held were corporate with medical meetings up to 13.6 percent from 11 percent last year.

Mining - Asarco has closed its Sacaton open pit mine near Casa Grande, resulting in the layoff of about 190 employees. According to company spokesmen, the closing is due to "exhaustion of copper-ore reserves minable by open-pit methods." The Sacaton open pit began production in 1974. The company had planned to shift the Sacaton operation to a nearby ore body and mine it by underground methods after the open pit was abandoned but underground preparation was suspended in 1981 because of low copper prices.

Meanwhile, Asarco has permanently recalled about 70 workers at its Mission Mine complex 30 miles south of Tucson. The move affected heavy equipment operators and mechanics who were recalled to strip the gravel and rock overlying the ore in order to maintain the normal volume of mined ore delivered to the Mission mill for processing. The recall brought employment of hourly workers at the Mission unit to about 420. Two years ago, before layoffs began, Asarco had 1,130 workers.

Layoffs - Mountain Bell is laying off employees in three Arizona communities. In Tucson, the equivalent of 75 full-time jobs will be lost. At least 34 workers will lose their jobs and other employees will be shifted to part time. In Phoenix, 80 workers who were brought to Arizona several months ago to help the utility keep pace with new-construction orders have been let go. Cuts are also planned for the Flagstaff office where four positions will be eliminated and 20 reduced to part time. Mountain Bell cites office mechanization and inadequate Arizona earnings for the layoffs.

Mayfair Molded Products, a manufacturer of plastics and boating items, will close its

Tucson plant July 1, laying off 55 workers. More competition in the marine-products industry led to the company consolidation responsible for closure of the plant. Some Tucson-plant employees have been offered jobs at the company's headquarters in Schiller Park, Illinois, outside of Chicago.

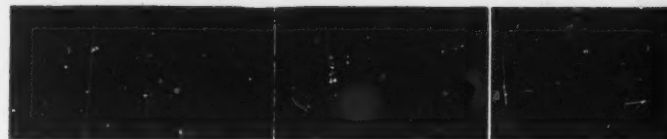
Three Phoenix-area hospitals, responding to increased competition, a reduction in patients' length of stay and declining revenue, have laid off more than 50 employees. At John C. Lincoln Hospital and Health Center, about 20 employees were laid off and a total of 84 positions eliminated, mostly in nursing. At St. Luke's Hospital and Behavioral Health Center, 31 full-time workers were laid off. And at Phoenix Baptist Hospital, the education department was moved to the corporate offices with a loss of eight of 15 employees.

Training Conference - The Small Business Institute of Rio Salado Community College will conduct a Small Business Training Conference on June 18 at the Biltmore Hotel in Phoenix. The conference will consist of 22 different workshops designed to provide assistance to current and prospective small-business owners. Registration is \$65.

Education - Glendale Community College dedicated a \$250,000 Automotive Technology Complex that is expected to help students keep pace with rapid changes in automotive designs. The dedication coincided with an announcement by GM of a new program to train GCC students and find them jobs with GM dealers. The program -- known formally as the Automotive Service Educational Program -- will begin in August, with about 25 students participating in the first classes.

Apprenticeships - The Arizona Operating Engineers' Joint Apprenticeship and Training System will accept applications during May for apprenticeships. Applicants should be between 18 and 30 and have a high school education or GED certificate. Those interested may call the training system's Phoenix office at 252-6138 or the Tucson office at 623-2655.

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